

HOLLY ENERGY PARTNERS

May 7, 2007

Mr. R.M. Seeley
Director, Southwest Region
Pipeline and Hazardous Material Safety Administration
8701 South Gessner, Suite 1110
Houston, TX 77074

Certified Mail: 7005 1820 0002 6884 6676

Dear Mr. Seeley,

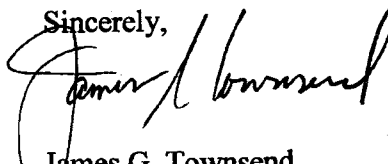
Holly Energy Partners is in receipt of your letter regarding the Notice of Amendment, CPF 4-2007-5013M, for the Operations and Maintenance audit held in Artesia, New Mexico on February 26 – March 2, 2007.

In compliance with the requirements of 49 CFR 190, Subpart B governing Holly Energy Partners' response to the Notice of Amendment, we are offering the following information for your consideration.

Holly Energy Partners has made revisions to the Operations and Maintenance (O&M) Procedures Manual to include provisions for training employees to recognize safety related conditions per §195.402 (f) and procedures for identifying, testing for and minimizing the detrimental effects of interference currents per §195.577.

Enclosed are the amended procedures for your review and approval. Should additional information be required, please feel free to contact me at (505) 746-5218.

Sincerely,



James G. Townsend
Vice President - Operations

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Dallas, Texas 75201-6927
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Enclosure

SAFETY RELATED CONDITION REPORTS

1. OPS Regulation

§ 195.402 Procedural manual for operations, maintenance, and emergencies.

(f) Safety-related condition reports. The manual required by paragraph (a) of this section must include instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §195.55.

4.3 SAFETY RELATED CONDITION REPORTS

- 4.3.1 All employees are required to complete the Knowledgewire Internet Based Training Course titled DOT Part 195: Accident Reporting Procedures annually. This course is designed to enable all employees to recognize and report potential safety related conditions. The lesson addresses the conditions that must be reported directly to OPS as defined by 49 CFR Part 195, Subpart B - Reporting Accidents and Safety-Related Conditions. After completing this lesson, the employee will recognize what constitutes a pipeline accident and a safety-related pipeline condition, and the proper reporting procedures for each, how to apply the "5 day confirmed/10 day discovered" rule when reporting safety-related conditions and reporting exceptions.
- 4.3.2 Holly Energy Partners details the criteria and procedures for filing Safety Related Condition Reports in Volume 1, Subpart B of the Operations and Maintenance Manual.

SUBPART H – CORROSION CONTROL

1. OPS Regulation

§ 195.577 *What must I do to alleviate interference currents? (a) For pipelines exposed to stray currents, you must have a program to identify, test for, and minimize the detrimental effects of such currents.*

6.2.3. INTERFERENCE/STRAY CURRENT DETECTION AND MITIGATION

Holly Energy Partners cathodic protection technicians are trained to recognize and test for the existence of possible interference/stray current.

The CP Supervisor will be responsible for detecting and mitigating interference (stray current) problems on HEP's assets.

The following methods will be used to detect Interference/Stray Currents:

1. Comparison of the latest pipe to soil surveys to historical surveys in the same area.
2. ILI tool runs that indicate areas of possible corrosion that was not present on the last run.
3. Cathodic protection readings taken during pipeline exposures.
4. Site specific close interval survey in and around the suspected problem areas.

In the event that an interference/stray current problem is detected, testing will be done in the area to determine the source of the interference/stray current.

One of more of the following will be done in order to mitigate the interference/stray current:

1. Recoating of pipeline in the area of the detected problem;
2. Anode installation;
3. Bonding (direct or resistant) to the interfering source;
4. Rectifier adjustments as needed.